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## Japan

### Market Development Reports

#### Food Business Line

*Periodic Press Translations from ATO Tokyo*

**2005**

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**Report Highlights:**

*Seijo Ishii Co., Ltd.*, a high-end supermarket chain, will start its own convenience store operations in 2005; *Gyukaku*, a major Korean barbecue restaurant chain will discontinue its popular beef tongue menu; A study finds that 85% of Japanese tourists in America replied "I ate beef in the U.S."; Australia, New Zealand and Mexico planning beef promotional activities at the Aichi Expo and; nearly 250 businesses attended the Agricultural Trade Office's "U.S. Food Trade Showcase" on February 10 in Tokyo.

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Includes PSD Changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Tokyo ATO [JA2]  
[JA]



## Food Business Line

*Periodic Press Translations from ATO Tokyo Vol. V, Issue 5 March 15-31, 2005*

### **Retail/Wholesale**

- *Sun Sonoma*, importer and retailer of California wines in Japan, will change its name to *Wine In Style* and develop internet marketing. (b. 3/25)
- The wholesale price for grapefruit remains high since November 2004. Prices now are about ¥4,000-¥4,500 per carton, which is approximately 50% higher during the same period last year. (b. 3/21)
- A high-end supermarket, *Seijo Ishii Co., Ltd.* will start its own convenience store operations within 2005. This convenience store brand will be differentiated from other convenience stores by handling imported confectionary, cheese and alcohol beverages. (b. 3/21)
- According to the Statements of Consolidated Financial Settlement in December 2004 from the two largest food wholesalers in Japan, Ryoshoku and Kokubu, sales for that of Ryoshoku was a record at 1,267 billion yen, second to Kokubu's 1,323 billion yen. (b. 3/16)

### **Food Service**

- *Gyukaku*, a major Korean barbecue restaurant chain owned by the *Reins International Group*, will stop offering “salted beef tongue”, one of its main menu items, due to the short supply from Australia and the cost increase after the import ban against U.S. beef products. (a. 3/19)
- Take-out box lunch and HMR company *Origin Toshu Co., Ltd.* reported in its mid-year management plan that it aims to open 1000 outlets and have sales of 100 billion yen by 2008. (b. 3/28)
- A steak restaurant chain, Don Corporation has started negotiating with another steak chain, Volks Inc. about a business tie-up or merger. (b. 3/30)

### **Food Processing/New Products/Market Trends**

- *Ajinomoto Co., Inc.* reported in its mid-year management plan that it will develop food and amino-acid product exports while the food business in Japan is not be expected to exhibit much growth. (b. 3/25)
- Kawasho Foods Corporation, a branch of JFE Holdings, Inc., obtained the rights of exclusive distribution in Japan to begin importing “Prime Draft”, so-called “3rd beer” beverage from Korea. It is expected that 2 million cases (24 cans/case) to be sold in 2005. The 3<sup>d</sup> beer beverage market (beer taste without malt) in Japan is developed to avoid government duties currently based on malt content. However, they are under review. (a. 3/19)
- Mitusi Foods Co., Ltd. will strengthen its wholesale fresh produce business by selecting partners for procurement and processing, and by constructing a network supply the retail and food service sectors within five years. (b. 3/30)

### **Food Safety/Consumer Awareness**

- According to a survey by *Cross Marketing Company* targeting Japanese tourists who visit the U.S., 85% replied “I ate beef in the U.S.”, 65% replied “I want to eat beef when the import of U.S. beef to Japan is resumed”. (f. 3/22)

**ATO/Cooperator/Competitor Activities/Trade Shows**

- USMEF held an “American Pork with Confiture Tasting Seminar” at the French restaurant, *La Reserve* in Tokyo to introduce menus using American pork with confiture, which is said to be most popular food items for 2005. The event also highlighted the high quality and the safety system of American pork. (f. 3/22)
- It is noted that Australia, New Zealand and Mexico are planning to hold various beef promotional activities such as menu promotions and business seminars at the Aichi Expo starting March 25, while U.S.A. and Canada are not because of the import ban of their beef products. (b. 3/21)
- Canada Beef Export Federation (CBEF) held “Canadian Beef & Veal Seminar” in Nagoya to an audience of 100 people. Mr. Ted Haney, chairman of CBEF, announced that new born calves have been obliged to wear an electronic ear tag since January 2005 and 80% of the ear tags depicts the animal’s birth date, so that it is expected they have a great advantage for beef exports to Japan when trade resumes. (f. 3/31)
- The U.S. Agricultural Trade Office held “U.S. Food Trade Showcase” at Inter-Continental Hotel Tokyo Bay, February 10, to promote unique, safe U.S. food and food ingredients. Approximately 250 food companies visited the event showcased by 44 U.S. organizations and associations including 6 new-to-market U.S. companies from the MIATCO region. There were also special displays of organic & natural foods and allergen free products to emphasize the safety and healthiness of U.S. food products. (h. 3/15)

 **Sources** 

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|----------------------------------|---|
| (a) The Japan Economic Newspaper | (b) The Nikkei Marketing Journal        |
| (c) The Japan Food Journal       | (d) The Beverage & Food News Commentary |
| (e) The Japan Food News          | (f) The Food Industry News              |
| (g) Fuji Sankei Business I       | (h) Pan News                            |

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